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## **CONSUMER ALERT**

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### **ATTORNEY GENERAL, DIVISION OF CONSUMER AFFAIRS RECOGNIZE THE 30TH ANNIVERSARY OF TENNESSEE CONSUMER PROTECTION ACT**

This year marks the 30th anniversary of the Tennessee Consumer Protection Act of 1977 (TCPA or "Act"), and the State will celebrate it with some special events, beginning June 7, 2007, to honor the Act that has helped many consumers and businesses across the state.

The TCPA was signed and approved by Gov. Ray Blanton on May 28, 1977 and became effective Aug. 26, 1977. In honor of the 30th anniversary of this Act, Attorney General Bob Cooper and Mary Clement, the Director of the Division of Consumer Affairs (DCA), are announcing an event in August to commemorate the anniversary of this Act, as well as ongoing activities over the next several months. The date for this event and specific details surrounding the event will soon follow.

The first event, slated for June 7, 2007, is the Take Back the Net workshop. This cyber security workshop involves experts from the technology industry, and provides consumers with common sense ways to protect themselves and their families from threats online. The free workshop will be held from 9 a.m. to 11 a.m. in the Nashville City Center's Acuff Room on the 27th floor. Reservations may be made online at [http://techleadership.org/takebackthenet/tn\\_invite1.html](http://techleadership.org/takebackthenet/tn_invite1.html). Details of other activities will be released throughout the summer.

The goal of the Tennessee Consumer Protection Act is to protect consumers and businesses from con artists and unfair and deceptive practices by businesses or individuals. To achieve this goal, the Act created the DCA to serve as a point of contact and clearinghouse for complaints. In addition, the Act empowered the Attorney General, at the request of the DCA, to initiate civil law enforcement action to represent and protect the interests of the State of Tennessee and the public by enforcing the various provisions of the Tennessee Consumer Protection Act. The TCPA also grants the Attorney General investigative and settlement authority over matters involving alleged TCPA violations.

“This law is extremely important to ensure Tennesseans are treated fairly and given all the facts they need to make informed choices when buying goods and services,” General Cooper said. “It is also important to legitimate business people who can lose business because of the shady trade practices of others.”

“The Division of Consumer Affairs exists because of the Consumer Protection Act,” said Director Clement. “We educate, advocate, mediate and provide oversight. Serving the consumer and legitimate businesses, we are proud of our efforts over the past thirty years.”

Last year alone, the Attorney General and the DCA procured judgments of more than \$9 million in restitution to consumers. Below are some of the significant consumer protection cases from 2006 in which the companies agreed to abide by the Tennessee Consumer Protection Act in the future in addition to providing consumer refunds:

\*Fairfield Glade, Inc., a Florida corporation, allegedly sold undeveloped lots in Crossville through deceptive sales practices. The company will pay \$4 million to more than 1,500 consumers across the country.

\*Teleflorist, Inc., a Pennsylvania company which received and placed orders for flowers, allegedly led consumers to believe the company was a local florist. The company has agreed to refund \$16,000 to some 400 consumers.

\*Direct Benefit Services, LLC, a Brentwood, Tennessee company, will pay consumers in Tennessee and other states \$144,460 as part of an agreement for allegedly leading consumers to believe they were selling insurance benefits when they were merely selling insurance and healthcare discount card memberships.

\*We The People USA, Inc., a California corporation which has now closed its franchises in Tennessee, paid \$90,000 which has been distributed to consumers as a result of an agreement with the State. The company is alleged to have violated several state laws by advertising and preparing low-cost legal documents by non-lawyers.

Copies of these settlements and others by the Attorney General can be found online at <http://www.attorneygeneral.state.tn.us/cases/cases.htm>.

In its role of receiving and processing complaints, the DCA attempts to mediate a resolution between the complainant and the entity that is the target of the consumer complaint. DCA also engages in consumer education and other functions to help consumers make smart buying decisions and avoid misleading business offerings. In 2006, DCA mediated over 29,782 consumer complaints, referrals and inquiries. That mediation process resulted in over \$1 million being returned to

consumers.

Consumers who wish to file a complaint regarding any consumer matter should contact the Tennessee Division of Consumer Affairs at 1-800-342-8385 (toll-free within Tennessee) or (615) 741-4737. Complaints can also be filed online at [www.state.tn.us/consumer](http://www.state.tn.us/consumer).